

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT
NASHVILLE, TENNESSEE**

November 24, 2004

IN RE:

**PETITION OF TELALEASING ENTERPRISES, INC.
AND PHONETEL TECHNOLOGIES, INC. FOR
APPROVAL OF CHANGE OF OWNERSHIP
TRANSACTION**

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**DOCKET NO.
04-00294**

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before Chairman Pat Miller, Director Sara Kyle and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this Docket, at a regularly scheduled Authority Conference held on October 11, 2004 for consideration of the *Petition* of Telaleasing Enterprises, Inc. ("TEI") and PhoneTel Technologies, Inc. ("PhoneTel") for TRA approval of a transfer of authority to provide Customer Owned Coin and Coinless Operated Telephone ("COCOT") services required under Tenn. Code Ann. § 65-4-113.

Tenn. Code Ann. § 65-4-113

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain TRA approval to transfer its authority to provide utility services (also known as a "certificate of public convenience and necessity" or "CCN"). Tenn. Code Ann. § 65-4-113(a) reads as follows:

No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) provides the standards by which the TRA shall consider an application for transfer of authority, in pertinent part, as follows:

Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

Background

By an Order dated July 9, 1990 in TRA Docket No. 90-05630, the TRA granted TEI the authority to provide COCOT services in Tennessee. PhoneTel was granted authority to provide COCOT services by an order dated December 17, 1993 in TRA Docket No. 93-08876. TEI and PhoneTel (“Parties”) are both wholly owned subsidiaries of Davel Corporation, Inc. (“Davel”).

The Petition

In the *Petition*, which was filed with the TRA on September 17, 2004, the Parties requested approval for a change of ownership transaction. Davel, the parent company of TEI and PhoneTel, is a publicly held entity that is not regulated by the TRA. Davel’s secured debt and 95% of its publicly traded stock (“Majority Interest”) is held by ten entities (“Selling Shareholders”). The Selling Shareholders of Davel have entered into an agreement to sell the Majority Interest and secured debt to MobilePro Corporation. The Parties are seeking TRA approval because the MobilePro acquisition of Davel will result in a *pro forma* transfer of the TEI and PhoneTel CCNs.

After the transaction is completed, both TEI and PhoneTel will remain wholly owned subsidiaries of Davel with no change in management. TEI and PhoneTel will continue to be

the actual providers of telecommunications services in Tennessee and direct holders of the CCNs. The transactions therefore should be transparent to TEI and PhoneTel customers and should have no adverse effect on the Tennessee public welfare.

October 11, 2004 Authority Conference

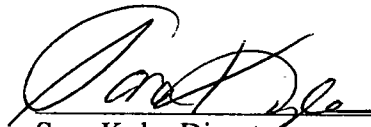
At the October 11, 2004 Authority Conference, the Directors voted unanimously to approve the Petition pursuant to a finding of compliance with the requirements of Tenn. Code Ann. § 65-4-113.

IT IS THEREFORE ORDERED THAT:


1. The Petition of the Parties is approved.
2. The proposed *pro forma* transfer of authority as described in the *Petition* and discussed herein is approved.



Pat Miller, Chairman



Sara Kyle, Director



Ron Jones, Director